

MEMORANDUM

NATIONAL SECURITY COUNCIL

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MEMORANDUM FOR THE RECORD

FROM: George Pickett

SUBJECT: Intelligence Task and Organization

Based upon studies and conversations, I have come to prefer to describe intelligence in terms of three components: Information, Analysis, Estimates. I think this is a more appropriate paradigm than the traditional "collection - processing - analysis" view because it addresses the two key tasks of intelligence: to provide data and to provide judgments. In some sense the difference is academic -- one describes what intelligence is and the other describes how it functions.

The traditional viewpoint has several drawbacks. In a general sense the community is organized based upon what intelligence is -- information, analysis, estimates -- but it teaches, reports and thinks along the line of how intelligence functions. Schools talk about the intelligence process; the NIPM struggles to break out processing from collection; managers feel that raw collected data must be "analyzed" before being distributed. Processing also is a nebulous function causing more problems in trying to identify it than are gained in management understanding. Analysis is too all-encompassing in that it combines widely different tasks requiring different kinds of people in different types of organizations. Finally, the belief that data must be "analyzed" or else it is not "intelligence" leads community members to excessive sensitivity about providing only data to consumers.

My paradigm is based upon asking what are the real "products" offered by intelligence and what is the common thread that runs through these products. The key elements are data (or information) and judgments; intelligence should provide these in various mixtures, depending upon the needs of consumers. In the attached diagram I have broken these two inputs into three classes of products: Information, Analysis, Estimates. In each class I have also attempted to understand:

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- What tasks are associated with each class?
- What kinds of people work in each class?
- What forms of organization and what procedures would be most appropriate for each combination of task and people?

The critical assumption in this approach is that as one moves from the collection of raw data (one part of Information) towards Estimates, the general nature of the task changes from the mechanical to the intellectual. The transition is much like moving from the assembly line to the university in terms of what type of people are involved, the organization best suited to their needs, and the critical tasks to be performed.

Most of the conclusions which could be drawn from taking this approach to intelligence are already familiar to you. Some observations which may be made:

1. Interdependency between Analysis and Information is high, indicating a need for management to insure constant exchange between them. Estimates, however, can operate in a more isolated setting.
2. Instituting control over Information should be easier than doing so for other classes because Information's output is more measurable and because more knowledge is present in the business world about managing a production-oriented system.
3. Stability of personnel at the Estimates level is needed, not for familiarity with a subject, but to see enough of a man's work to evaluate him. Selection and management become more critical because a man is around for some time and because evaluation is more personal.
4. A "good" management structure might concern itself with selecting individuals to manage each of the three classes and then establishing a strong group head to insure Information and Analysis are brought together. Estimates could report to a smaller group head or directly to the DCI.

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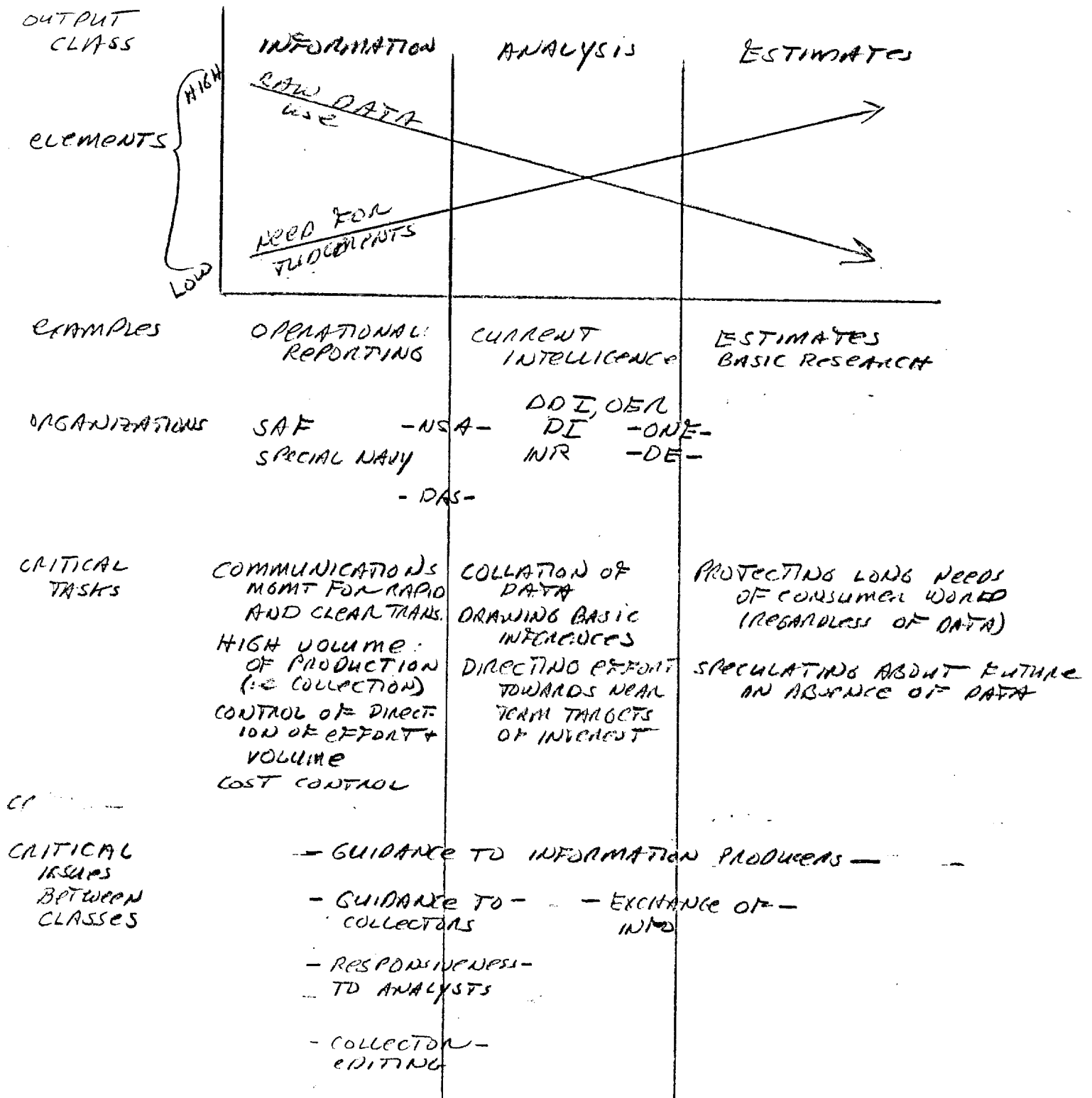
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Taking this approach and applying it to present community structure suggests the following areas for major change:

1. Improving the linkage between analytical organizations (DDI, DI) and the collectors; shifting power to the former.
2. Creating an estimates group -- or several for competitive purposes -- to fill the present void; or developing a contractual approach to tap intellectual talent which may be unavailable due to the bureaucratic nature of the agencies.
3. Establishing a more open flow of data to consumers, Analysis and Estimates.
4. Developing techniques for selecting, training and evaluating individuals which fit the principal types of people needed.
5. Establishing processing as part of Information for budget and control purposes.
6. Reorganizing several of the organizations clustered around the Analysis class in order to eliminate those formed for bureaucratic and personality reasons (i.e., ONE and the internal structure of DDI).

This analysis has limitations. Structures and procedures within an organization cannot substitute for management. My opinions are influenced by my present knowledge of the community; perhaps more than three classes (or less) are needed. The people within each class are not all identical; organizations and procedures at a lower level than this macroview have to be tailored to the situation. For example, the type of individual needed to analyze new collection systems in the Information class is probably similar to that needed by the Estimate class in general; an organization would have to be structured appropriately. Finally, data and judgment are broad and not clearly defined terms.

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INFORMATION

ANALYSIS

ESTIMATES

PEOPLE
NEEDS

TECHNICIANS,
ENGINEERS,
SCIENTISTS

BA, MA EDUCATION
WITH APPLICATION
ORIENTATION

PH D WITH intellectual
ORIENTATION

PRODUCTION ORIENTED
MANAGERS

PEOPLE AND SERVICE
ORIENTED MAN-
AGERS

INTELLECTUAL AND SERVICE
ORIENTED MANAGER

CAN DEAL WITH
UNCERTAINTY ASSOC-
IATED WITH PHYSICAL
PROBLEMS

CAN DEAL WITH
UNCERTAINTY
ASSOCIATED WITH
SIMPLE JUDGMENTS,
AND WITH HAVING
TO RESPOND TO
DEMANDS IN
TIMELY FASHION

CAN DEAL WITH UNCERTAINTY
ASSOCIATED WITH
INDEPENDENT, ABSTRACT
THINKING --- WITH THE
EXPOSURE OF THOUGHT TO
OTHERS --- WITH THE NEED
FOR DISCIPLINED RESEARCH

ORGANIZATION
NEEDS

VERTICAL
FORMAL, 'MILITARY'
STRUCTURE SIMILAR
TO INDUSTRIAL
PRODUCTION PLANT
TO CONTROL TASKS
AND PROBABLY TO
FIT DESIRES OF
PEOPLE

HORIZONTAL
LOOSE STRUCTURE
WITH FLEXIBILITY
TO MOVE PEOPLE
WHERE TASKS
DEMAND (CERTAINLY
NO REAL CONTROLS)

NONE
VIRTUALLY NO STRUCTURE, EACH
INDIVIDUAL OR INDEPENDENT
PROTECTS. LONG TERM TASKS
ASSIGNED BY EXPERTISE OF
MAN; SHORT TERM TASKS
NOT PERFORMED.

USE OF FORMAL
PLANNING, CONTROL,
AND INFORMATION
SYSTEMS BECAUSE
DATA IS
QUANTIFIABLE

WIDER SPAN OF CONTROL
FOR EACH SUPER-
VISOR SINCE HIS
ABILITY TO BE
KNOWLEDGEABLE
ON ALL TOPICS
IS REDUCED BY
NEED FOR INDIV-
IDUAL SPECIALIZATION

YET RIGID BY NEED (A) FOR
EXPERT IN AREA AND (B)
LONG TERM OF A TASK

STRUCTURE EITHER
FUNCTIONALLY, BY
AREA, ETC DEPENDS
ON COST FACTORS.

FEW FORMAL CONTROL
MECHANISMS ---
AT BEST SOME
GUIDES TO CHECK
PRODUCT QUALITY

ABSENCE OF FORMAL CONTROLS
BUT NEED FOR SOME
FEEDBACK TECHNIQUES AS
INPUT INTO MANAGERS
JUDGMENT OF SUBORDINATES
WORK.

REGIMENTED PROCEDURES
TO INSURE INFO
IS DISSEMINATED

	INFORMATION	ANALYSIS	ESTIMATES
PERFORMANCE CRITERIA...	COST AND DATA VOLUME	SERVICE TO NEEDS	INTELLECTUAL QUALITY
COMPETING SOURCES	HIGHLY PLACED AGENTS PERSONAL CONTACTS PRESS REPORTS	NEWSPAPER, PERIODICALS, SOME BOOKS EXPERIENCED PEOPLE	SCHOLARS THINK TANKS BOOKS